

CITY OF LONG BEACH

ENERGY CRISIS INFORMATION SHEET

PROBLEM

For 15 years, Long Beach Gas and Electric (now Long Beach Energy) has purchased gas on the competitive spot market and residents and businesses have enjoyed low rates. Beginning in December, however, rates for natural gas skyrocketed and consumers have seen their bills increase substantially each month.

CAUSE

The cost for natural gas has increased nationwide. The reasons for the increases as cited by industry officials include:

- Colder-than-normal weather nationwide
- Increased demand for natural gas for heating and electricity production
- Low supply levels

However, some companies, like Long Beach Energy, purchase natural gas at the California border and these prices have spiked even higher than the average increase. There is on-going investigation as to why this is happening.

SHORT TERM ASSISTANCE on NATURAL GAS PAYMENTS

Level Pay Plan: Averages 12 months of your bill so that the high winter bills will be averaged with the low rates generally paid in warmer months.

Low-Income Disabled, Senior Citizen Plan: Qualified individuals can receive a 25% discount on gas services for bills generated from January 15, 2001 and September 30, 2001.

- **For information on either of these plans call 570-5700.**

State Tidelands Gas Reduction: Will result in a small reduction in rates for all consumers.

LONG TERM SOLUTIONS

- Warm weather will reduce consumption but at this time we don't expect reduction in natural gas rates.
- Conservation (see the reverse side for ideas)
- Review by Governor Davis of possible price manipulation
- Focus on natural gas crisis by State Legislature

KEEP INFORMED

- While the City of Long Beach does not provide your electricity, we do want to advise you the electrical rates have already gone up 9% and will, in all probability, continue to rise throughout the summer.
- We encourage you to keep updated on the energy issue. The situation changes daily and will have an impact on your energy bills.